Broadcasting Jan 7

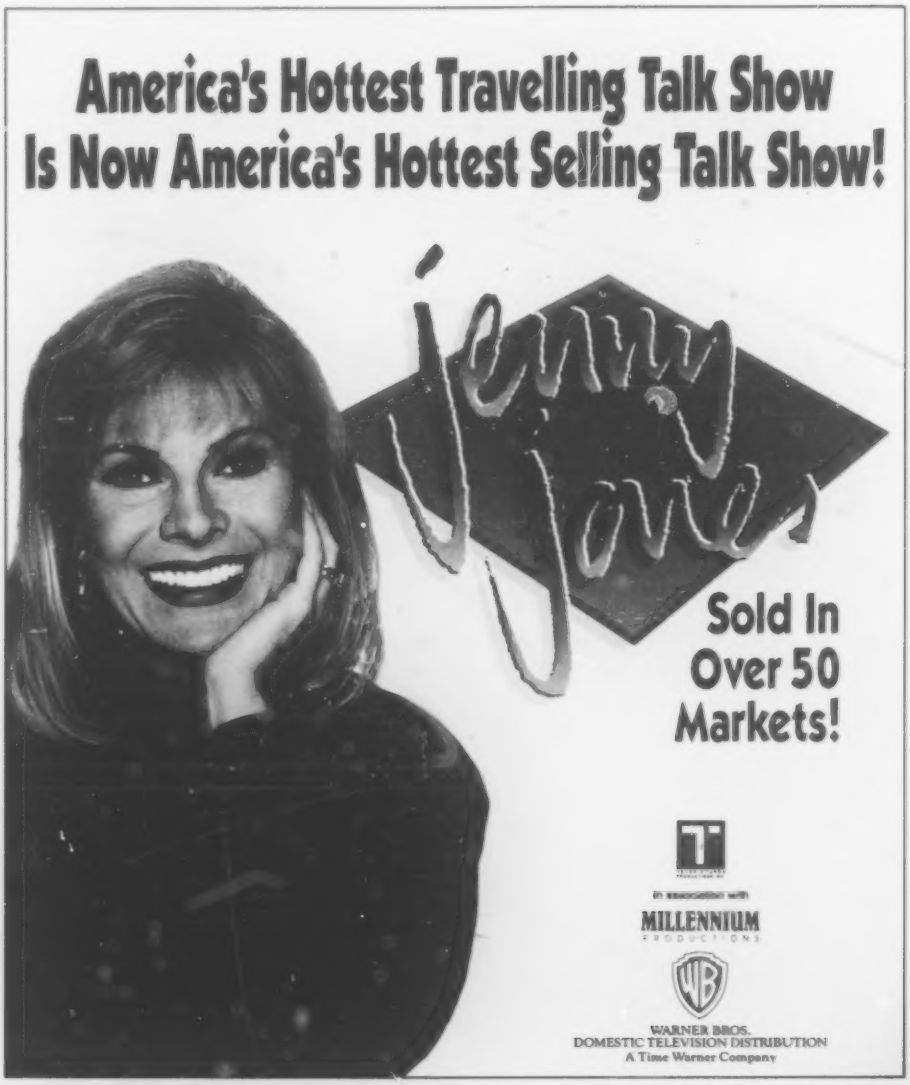
Reaching over 117,000 readers every week — 60th Year 1991

TELEVISION / 54
Reading fine print on Warner/Fox kids deal; readying for NATPE

RADIO / 88
1990 radio financial report shows decrease in local advertising

BUSINESS/ 96
Affiliates and indies: Financial survey shows gap narrowing

WASHINGTON / 100
Word from FCC: Rules are made to be kept



Vol. 120 No. 1

INTV IN L.A.

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20814SRI AT8501 ZCZ
SRI ACQ
CONGRESSNL INFO SRV
4520 EAST-WEST HWY
BETHESDA MD 20814

THIS WEEK

43 / INTV: 'STILL ALIVE'

Attendance at this year's annual Association of Independent Television Stations meeting in Los Angeles was down about 30% from last year's total, but as outgoing INTV Chairman John Serrao said: "INTV is still alive." Nonetheless, at the convention speculation of a merger with the National Association of Broadcasters persisted, despite dismissal of such talk from INTV officials.

44 / CALL TO ACTION

For the opening address to the attendees of the 18th annual INTV convention, the association's officers stressed the organization's health and vowed to fight any intrusion into their marketplace (namely cable), the impending entrance of telco's and the threat to the prime time access rule that could injure the health of independent stations. It was up to INTV's members, the officers said, to increase efforts in building audience numbers, increasing ad sales and having a greater voice on Capitol Hill regarding broadcast TV legislation.

45 / DISNEY DUCKS

Looking to further strengthen its two-hour *The Disney Afternoon* animation block, Buena Vista Television unveiled *Bonkers* and *Goof Troop* as the latest components for the block, debuting in fall 1992 and 1993, respectively.

INTV encounters stormy weather in Los Angeles (page 43).

46 / TAKING THE PROGRAMING PULSE AT INTV

Program producers and distributors at the INTV convention attacked the three-network position that the financial interest and syndication rules should be repealed. They also said stations had to take a more active role in program development.

47 / LOOKING FORWARD

Wall Street and the Fifth Estate would probably like to forget 1990, which saw stocks for all sectors of the industry—entertainment, broadcasting, cable and ad agencies—off by double-digit percentages. The industry has not seen such a decline in 17 years and the key question was, as one analyst put it: "Have we hit bottom yet?" Some industry observers are looking for media earnings to improve when the industry starts to focus on 1992—an Olympics and election year.

49 / TO BE A GOOD ACTOR

The FCC is proposing several interim "good actor" tests for cable systems in an "effective competition" order released last week. Systems that meet those requirements will be exempt from local regulation. Among the alternatives: a cable system must provide service and rates similar to what it did before deregulation in December 1986 and adhere to the National Cable Television Association's customer service guidelines. Looking to adopt a complete "effective competition" standard in April or May, the FCC has set Jan. 31 for the comment deadline, Feb. 15 for replies.

54 / FINISHING TOUCHES

While finalizing a "primary" deal with the Fox Children's Network for animated programing, Warner Bros. Domestic Television Distribution has sent out "secondary" contracts to Fox affiliates. The terms of the latter include time period guarantees.

60 / 'BAYWATCH' REDUX

The former network show *Baywatch* is being revived for first-run syndication and worldwide distribution. LBS and Australia's Fremantle Corp. will co-produce the new first-run episodes, which will be available next fall.

62 / HEADING TO NEW ORLEANS

With NATPE's attempt last year to create a more "businesslike" atmosphere by banning food, drink and demonstrations now an idea of the past, exhibitors and station executives are readying to return to an exhibit floor more like the NATPE's of old.

88 / RADIO FINANCIAL TIMES

A 1990 National

Association of Broadcasters-Broadcast Cable Financial Management Association report shows the percentage of radio station revenue derived from local advertising shrank in 1989. National and regional advertising percentages increased slightly.

89 / POWER FM IN PHILADELPHIA

WUSL(FM) has climbed four rating points in Birch in one year. Among its strategies: targeting city problems with help from entertainers such as Paula Abdul and "Power" concerts.

91 / CABLE RETROSPECTIVE

The merger of MTV's HA! with HBO's The Comedy Channel, and the demise of Mizlou's Sports News Network, are among last year's programing changes that have altered the cable landscape as operators wait to see what develops.

92 / ESPN'S FOOTBALL SCORECARD

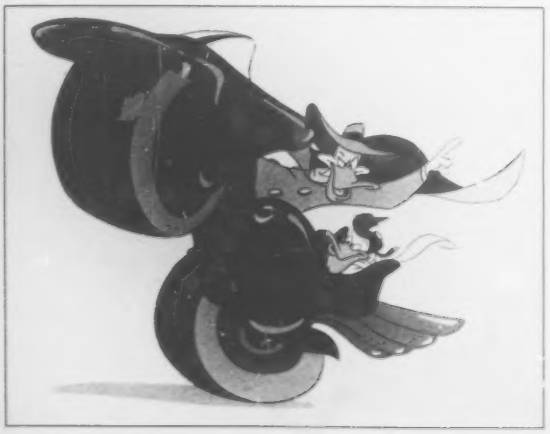
ESPN's NFL ratings finished 5% lower than last year's ratings. The cause, however, could be everything from more football games on television to the strength of ESPN's schedule to warm winter weather.

'Baywatch' returns in syndication (page 60).

96 / FAMILY RESEMBLANCE

The latest survey of the television station business confirms in detail what some industry observers have suspected: that affiliates and independents are beginning to look more alike. Among areas of growing commonality are network compensation, program spending and cash flow margins.

BVT's 'Darkwing Duck' added to Disney block (page 45).



97 / AFFILIATION SWITCHES AFFECT NETWORK NEWS

BROADCASTING's study of network affiliation switches indicate that the station/network initiating change will see improvement in network news ratings. However, both early and late local news do not show the same sort of ratings improvement.

100 / THE ENFORCERS

"From the start," according to one industry lawyer, the Sikes FCC "made no secret that they were going to enforce the rules on the books." And the commission appears to be getting tougher about doing so, as it continues its national audits and inspections.

102 / LICENSE REVOCATION

At the FCC hearing this Thursday (Jan. 10) the commission is expected to designate WFXL(TV) Albany, Ga., for a hearing. It may be the first step in a license revocation proceeding against Timothy Brumlik, a Georgia broadcaster currently serving time in a federal prison for money laundering. An area of contention is whether the expanded character-qualification policy may preclude the licensee from the benefit of an FCC distress sale policy.

103 / FAA FEARS

Broadcasters and other RF communication industries are worried that proposed rule changes by the Federal Aviation Administration to eliminate electromagnetic interference to air navigation systems will make it nearly impossible to obtain approval for new tower sites and require FAA notification for virtually all changes in transmission facilities. Private industry and the FCC are calling for closer cooperation between the commission and the FAA to set technical standards.

106 / SKYPIX SUBSIDY

To gain a swift foothold for its proposed midpower Ku-band DBS pay-per-view service beginning next summer, SkyPix plans to devote $32 million to subsidizing the sale of half a million home receiver-decoders, spend more than $85 million on advertising and marketing and suffer nearly $80 million negative earnings in the first year of operation to reach breakeven, according to a prospectus provided to potential investors. A hitch remains: Will prospective partners provide the $200 million SkyPix says it needs to operate through 1992?

INDEX

Advertisers Index....126
Business....96
Cable....91
Cablecastings....92
Changing Hands....97
Classified Advertising....115
Closed Circuit....14
Datebook....22
Editorials....130
Fates & Fortunes....123
Fifth Estater....127
Focus on Finance....98
For the Record....109
In Brief....128
Masthead....36
Monday Memo....38
Open Mike....34
Programing....54
Radio....88
Riding Gain....90
Satellite....106
Technology....103
Top of the Week....43
Washington....100

AFTER THE FALL: THE FUTURE OF MEDIA STOCKS

Industry shares have been down for so long, some think their next move will be up and wonder whether 1991 will look like 1975

For Fifth Estate stocks 1990 was a year to forget. All sectors including entertainment, cable, broadcasting, ad agencies and equipment were off by double-digit percentages. The weekly stock price declines dented the industry's self-confidence and mattered in even more tangible ways: stock mergers were put on hold, raising equity capital was given up as a possibility and management compensation plans were affected.

The decline in media stocks preceded 1990, beginning back in the second half of 1989, but continued last year, worsened by the market's overall decline. Excluding those leveraged stocks that were particularly hard hit, group owner/publishing stocks were down on average about 20% over the past 12 months. Some smaller companies could take comfort in the fact that small-capitalization stocks generally, as measured by the Russell 2000 or Nasdaq composite indices, declined to a similar degree for the year. But larger issues were clearly underperforming their cohorts, as measured by the New York Stock Exchange composite or the S&P 500 indices, which declined only about 7%.

Considering the sell-off of group owner/publishing stocks was often attributed to concerns about advertising, it is at least a little surprising that agency stocks, excluding highly leveraged issues, were down on average only about 6%. At least some of the explanation may lie in the fact that their more global operations spanned some growing countries and provided currency translation gains.

Cable stocks were off considerably for reasons that have been well documented (BROADCASTING, June 11, 1990). What is surprising is that despite revenue gains in cable programing, the pure play stocks in that group, including Turner Broadcasting System, were on

WHAT A DIFFERENCE A YEAR MAKES IN STOCK PRICES

	12/27/89 close	12/31/90 close	% chg
Ackerly	8.5	2.75	-67.6
Acton	14	5.125	-63.4
Adelphia	27.5	6.75	-75
All American TV	2.375	2.625	10.5
ATC	44.75	36.25	-19.0
A.H. Belo	37	32	-13.5
Burnup & Sims	16.25	8.875	-45.4
Capcities/ABC	538	459.125	-14.7
CBS	183	172.625	-5.7
C-Cor	12.75	3.625	-71.6
Century	13	7.125	-45.2
Chris-Craft	36.25	25.25	-30.3
Chyron	2.375	0.28125	-88.2
dick clark	6.25	3	-52.0
Clear Channel	12.75	10.5	-17.6
Color Systems	1.5	2.5	66.7
Comcast	16.75	13.125	-21.6
Control Data	17.375	8.875	-48.9
C-Tec	25	14.5	-42.0
Cablevision	37.125	15.5	-58.2
Disney	109.25	101.5	-7.1
Dun & Bradstreet	45.25	42.125	-6.9
FNN	7	1.125	-83.9
Foote Cone Belding	25	20.25	-19.0
Fries	2.375	0.625	-73.7
Gannett	41.5	36.125	-13.0
GE	63.75	57.375	-10.0
Great American	9	1.75	-80.6
Grey	167	136	-18.6
Harris	32.875	19.875	-39.5
Heritage	3	3.375	12.5
Home Shop. Net.	7.375	4	-45.8
IDB	7.625	6.25	-18.0
Interpublic Group	33	35	6.1
Jacor	5.75	2.25	-60.9
Jones	15.5	7	-54.8
King World*	25.33	24.5	-3.2
Lee	30.75	24.75	-19.5
Liberty	41.5	41.125	-0.9
LIN	120.5	61.5	-49.0
MCA	61.25	69.25	13.1
McGraw-Hill	56.375	52.625	-06.7
Media General	31.75	18.75	-40.9
Meredith	34.25	23.625	-31.0
Midwest Comm.	5.125	1	-80.5
Multimedia	93	68.5	-26.3
News Corp.	22.125	7.875	-64.4
New York Times	26.25	20.625	-21.4
Nostalgia Net.	2	0.5625	-71.9
Oak	1.125	0.75	-33.3
Omnicom	25.375	23.125	-8.9
Orion	20.625	13.25	-35.8
Osborn	11.25	6.5	-42.2
Outlet	24.25	8.5	-64.9
Paramount	50	40.875	-18.3
Park	20.75	16.5	-20.5
Playboy ‡	15.625	4	-74.4
Price	5.375	0.1875	-96.5
Pulitzer	29.25	18.25	-37.6
QVC	16.125	4.25	-73.6
Saatchi & Saatchi	12.375	2	-83.8
Scientific-Atlanta	22.5	12.5	-44.4
Scripps Howard	67	44.5	-33.6
Spelling	11.25	3.375	-70.0
TCA	17.25	15	-13.0
TCI	17.875	13.25	-25.9
Telemundo	5.75	5.25	-8.7
Times Mirror	35	26.75	-23.6
Time Warner	123.25	85.75	-30.4
Tribune	45.375	35.25	-22.3
Turner*	16.25	11.375	-30.0
TVX	3.75	9.375	150.0
United Artists	18.75	12.5	-33.3
United Television	34.25	28.5	-16.8
Unitel Video	13.75	5.875	-57.3
Viacom†	55.75	26.25	-52.9
Video Jukebox	8.875	5.875	-33.8
Wegener	2.5	0.375	-85.0
Westinghouse*	36.75	28.5	-22.4
Washington Post	275	198	-28.0
Westwood One	9	1.75	-80.6
WPP Group	21.625	2.75	-87.3
Zenith	12.5	6.625	-47.0
S&P 400	398.16	387	-2.8
NASDAQ Comp.	454.82	373.84	-17.8

**December 1989 close adjusted to represent a stock split.*
†Viacom issued new class of non-voting stock and issued a dividend of one share of new stock for each outstanding shares of Viacom Inc.
‡ Playboy issued 3 non-voting shares for each voting share, the number of which had been cut in half by a 1-for-2 reverse split.

average off even more, posting a 60% drop.

Roughly 20 Fifth Estate stocks fell by more than 50%. At least half of those could be categorized as highly leveraged, including Great American Communications, Price Communications, News Corp., Jacor, Adelphia, Cablevision Systems and Saatchi & Saatchi. Several others, such as Outlet Communications, were deal stocks whose deals did not materialize.

The last time media stocks saw such widespread and deep declines was 17 years ago when, during a year-and-a-half period, they fell on average 70% to 90%. Similar to the current period, the decline also preceded and continued into a nonpresidential election year in which oil prices also shot up while auto production and GNP growth declined. Inflation then was worse—so far—and interest rates had doubled, to 10.8%.

But beginning in late 1974, media stocks recaptured essentially all their losses. Cable stocks were helped by some developments in Washington while the broadcasting industry earned itself an a-cyclical reputation. TV network profits, as reported by the FCC, were up 22% on revenue growth of 10%. Non-O&O TV stations had 11% profit growth on 9% revenue gains. The next year, 1975, revenue growth for all television sectors was in the upper-single digits. Olympic/election year 1976 was a bonanza for all segments, both in revenue and profits.

While the current business outlook is clearly changed from the mid-1970's, some securities analysts are hoping media earnings will improve along with the economy, even if not repeating 1974 and outperforming it. Peter Falco of Merrill Lynch said that sometime in 1991, stocks should "...focus on 1992 when hopefully the script will be that we will have an economic recovery buoyed by election and Olympic based incremental ad spending." Among positive signs cited by Falco are the fact that, for group owner/publishers, staffing at many of these companies is now lower than for 1990, on average.

Still uncertain is County NatWest's Lisa Donneson, who said she is not recommending any newspaper or broadcasting companies because of her continuing doubts about advertising revenue: "...the key question is: Have we hit bottom yet?" Instead, she has sell recommendations on several companies including The New York Times Co. and Times Mirror due to their "...exposure to the East Coast markets," where the economy is especially weak.

Donneson is optimistic about cable stocks, where her recommendations include American Television & Communications, Comcast and Tele-Communications Inc. Although regulatory and credit market uncertainty continue, she said the industry's operating "fundamentals are very strong," producing double-digit percentage growth in cash flow.

The ups and downs of agency stocks will be determined in part by the general advertising environment. No good news is expected domestically until the middle of 1991. For the first quarter, Goldman Sach's Greg Ostroff is looking for 1% to 2% growth in national advertising. For all of 1991, ad spending will grow by only 4.6%, according to Robert Coen, senior vice president, director of forecasting, McCann-Erickson.

> *"The box office is flat to down, the home video and record businesses are slowing, the syndication market is weak and difficult and not getting better. It is not an impressive outlook. [The market] is not collapsing. It's just not growing the way it does...there is nothing of great growth impetus."*
>
> —Harold Vogel, Merrill Lynch

Growth abroad may again help internationally oriented agencies. This year, Coen looks for overseas advertising growth of 7.5% to $156.4 billion, a sum that exceeds by $20 billion the expected total U.S. advertising expenditures.

Paine Webber analyst Alan Gottesman said the agency's basic business is holding up and should rebound by mid-year: "The heightened competitive pressure on advertisers' own product sales will, by then, outweigh their worry over short-term profitability. Thus, we think management's efforts to rescue the company from its encumbrances could prove to be very worthwhile over the long [perhaps two years] term."

Analysts disagree about which agencies make the better stock picks. Gottesman is recommending Saatchi & Saatchi and thinks the company can use a deteriorating advertising climate to its advantage, with its bankers. In a recent report, Gottesman speculated the company may choose to try to renegotiate with bondholders rather than sell off assets or look for new investors. Gottesman is neutral on other agency stocks including Foote Cone & Belding, Omnicom and Interpublic.

Meanwhile Greg Ostroff, analyst, Goldman Sachs, has put Omnicom back on his buy list. The agency, he said, has been slimming down and enhancing earnings power. He is staying away from both Saatchi & Saatchi and WPP Group.

The script some analysts are writing for Hollywood is pessimstic. Merrill Lynch analyst Harold Vogel, for one, said, "The box office is flat to down, the home video and record business is slowing, the syndication market is weak and difficult and not getting better. It is not an impressive outlook." Vogel said the current recession is "creeping to Europe" and that syndication sales there are not moving forward. "[The market] is not collapsing. It's just not growing the way it does...there is nothing of great growth impetus."

For 1991, Vogel estimates that Disney and Paramount will have flat earnings but for the long-term, he said he likes all the companies.

Alan Kassan, analyst, Morgan Stanley, has a hold rating on Disney and lowered his first quarter earnings estimate from $1.41 per share to $1.27. First-quarter earnings will also be adversely affected because of write-offs on Disney's new TV series, *Hull High* and the *Fanelli Boys*, Kassan said. For the year, he is looking for an earnings-per-share of $6.40. Because of a new financing arrangement with Japanese investors, costs of film productions should be reduced.

Time Warner will continue to be closely monitored by Wall Street. The media company is attempting to sell off some of its assets to help reduce debt. Ray Katz, analyst, Shearson Lehman Bros., said in a recent report there is a "good chance" of something happening [with asset sales] in 1991. Katz said: "Should an asset sale of a minority interest in operating assets occur at the $2 billion order of magnitude, upside could be as much as $110 per on the common and the low 40's on the preferred." For now, he rates the common stock as a high risk. —*HF, M*

THE CABLE NETWORK PROGRAMING UNIVERSE

BASIC SERVICES

Network Subscribers Ownership	**ESPN** 57,200,000 Capcities/ABC (80%), Hearst Corp. (20%)	**CNN** 56,702,000 Turner Broadcasting (Ted Turner 60.7%, TCI 9.85%, Time Warner 8.25%)	**WTBS** 55,515,000 Turner Broadcasting (Ted Turner 60.7%, TCI 9.85%, Time Warner 8.25%)	**USA Network** 54,180,000 Paramount 50% MCA 50%	**Discovery Channel** 53,200,000 TCI (35%), Cox Cable (24.5%), Newhouse (24.5%), United Cable (14%), management (1%)
Nickelodeon 53,200,000 Viacom	**Nick at Nite** 53,200,000 Viacom	**MTV** 52,900,000 Viacom	**C-SPAN** 52,100,000 Cable operated supported	**Nashville Network** 51,911,000 Gaylord Broadcasting	**Family Channel** 51,695,000 International Family Entertainment Inc. (Pat, Tim Robertson, employes 82%, TCI 18%)
Lifetime 51,284,000 Capcities/ABC (33%), Viacom (33%), Hearst (33%)	**TNT** 51,152,000 Turner Broadcasting (Ted Turner 60.7%, TCI 9.85%, Time Warner 8.25%)	**A&E** 49,600,000 Capcities ABC (38.1%), Hearst (38.1%), NBC (23.8%)	**Weather Channel** 47,176,000 Landmark Communications	**Headline News** 44,708,000 Turner Broadcasting (Ted Turner 60.7%, TCI 9.85%, Time Warner 8.25%)	**VH-1** 38,700,000 Viacom
QVC Network 37,000,000 Comcast (27.7%), TCI (26.3%), Time Warner (11%)	**FNN** 35,400,000 Infotech (46%)	**WGN-TV** 33,600,000 Tribune Broadcasting	**BET** 29,400,000 Bob Johnson (52%), TCI (32%), HBO (16%)	**AMC** 29,000,000 Rainbow Programing Holdings 50% (i.e. Cablevision Systems, 25%; NBC 25%) and TCI 50%	**C-SPAN II** 22,500,000 Cable operator supported
FNN Sports 21,000,000 Infotech (45%)	**Prevue Guide** 19,435,000 United Video (70%), Scripps-Howard (30%)	**Learning Channel** 18,000,000 Infotech (51%), Appalachian Community Service Network (29%)	**CNBC** 17,800,000 NBC (50%), Cablevision Systems (50%)	**HSN I** 17,750,000 Home Shopping Networks	**E!** 17,500,000 HBO, Warner Cable, Warner Comm., ATC, Cox Cable, United Cable, Continental, NewChannels, Comcast (10% each), management, employes (10%)
Eternal Word 17,000,000 Eternal Word Television	**Travel Channel** 16,200,000 TWA Airlines (97%), cable operators (3%)	**NuStar** 15,600,000 Lenfest Group	**WWOR-TV** 13,500,000 MCA	**JC Penney TV** 13,500,000 JC Penney	**Trinity** 13,200,000 Trinity Broadcasting Network

Nostalgia TV 12,300,000 Michael Marcovsky (23.5%), Jonc[illegible] Park (23.5%)	**Country Music Television** 11,500,000 Jim Guercio (50%), Robert Sillerman (50%)	**Univision** 11,062,692 Hallmark Cards Inc.	**Prime Time Tonight** 10,000,000 TCI (35%), Landmark (35%), Cox (12.5%), Newhouse (12.5%), Cable Video Entertainment (5%)	**Mind Extension University** 10,000,000 Jones International	**WPIX** 9,600,000 Tribune Broadcasting
Acts 9,400,000 Southern Baptist Radio & TV Commission	**HA!** 8,000,000 Viacom	**VISN** 7,700,000 National Interfaith Cable Coalition	**Inspirational Network** 7,500,000 Morris Cerullo World of Evangelism	**Comedy Channel** 7,500,000 Time Warner	**HSN II** 5,250,000 Home Shopping Networks

PAY SERVICES

HBO 17,300,000 Time Warner	**Showtime** 7,400,000 Viacom	**Cinemax** 5,400,000 Time Warner	**Disney Channel** 5,665,000 Walt Disney Co.
Bravo 5,000,000 Rainbow Programing Holdings (NBC 50%, Cablevision Systems 50%)	**Movie Channel** 2,800,000 Viacom	**Playboy** 350,000 Playboy Enterprises	

INTERACTIVE

Video Jukebox Network
11,000,000
VJN Partners 51.3% (includes CEA, Newhouse)
TCI 9.8%

PAY-PER-VIEW SERVICES

Viewer's Choice I&II (I) 8,000,000 (II) 2,433,000 ATC, Cox, TeleCable, Continental, Viacom, Newhouse, Disney, Comcast, Times Mirror, Warner Bros. (10% each)	**Request I&II** (I) 7,500,000 (II) 3,500,000 Reiss Media Enterprises (50%), Group W (50%)	**Playboy at Night** 4,000,000 Playboy Enterprises	**Spice** 3,000,000 Graff PPV	**Drive-In Cinema** 1,200,000 Graff PPV	**Cable Video Store** 1,000,000 Graff PPV

Notes: FNN and Learning Channel are in midst of being sold, with Hearst Corp. having the early inside track for TLC.
United Video superstations figures for WGN-TV and WPIX(TV) include local DMA cable households, plus TVRO and SMATV.
Nickelodeon and Nick at Nite numbers are the same, based on the single Nielsen rating report by which parent MTV Networks subscribes.
Pending owner is Opryland (majority partner) and Group W (minority partner).
Merger of comedy channels will result in approximately 15,900,000 subscribers for new Comedy Television network.

BUSINESS

GROWING SIMILARITY BETWEEN AFFILIATES AND INDIES

Latest survey of the television station business shows affiliates doing slightly worse on average, independents better

A recently released financial survey of television stations confirms in detail what some industry observers have suspected: that affiliates and independents are beginning to look more alike. Among areas of growing commonality are network compensation, program spending and cash flow margins.

It is likely that financial results for 1990, once they are released, will show further movement toward affiliate-independent similarity. Mark Fratrik, vice president, economist, for the National Association of Broadcasters, said questionnaires may be mailed out as early as this week. The annual survey is sponsored by the NAB, along with the Broadcast Cable Financial Management Association (BCFM). The 1989 results reflect responses by 738 stations out of 1,074 contacted.

Compared to two years earlier, also an off election year, the 1989 results mark a jump in compensation by Fox Broadcasting to its independent stations. At 2.5% of net revenue, compensation for those independents is still only half as important to those independents as it is for affiliates. But two years ago compensation for independents was virtually nonexistent.

Another area where the television stations are becoming more alike is in programing expenditures. As some networks have slightly reduced the hours they are programing and as some affiliates have preempted more programing, the amount of money spent on nonnetwork programing has increased. This was especially true of spending on broadcast rights from syndicators and other independent suppliers, which as a portion of net revenue increased almost 20% to 14.1%. That is still far below the 42.7% of net revenue that independents pay for broadcast rights, down from 44.4% in 1987 when news and other programing costs are added in, the gap between affiliates and independents narrows to just over 20% of net revenue. For comparison, news and programing costs were combined into the same line item because the NAB noted that "a few television stations included their news department costs with their programing and production costs and their advertising and promotion costs with their sales department costs."

Also narrowing but still wide is the gap between the cash flow margins reported by affiliates and independents. Margins of the latter jumped 28%, but at 13.6%, they are still only about one-third the margins reported by affiliates. The average margin of independents is boosted by those stations in the top-10 markets where the average is 20%. Only 25% of all independents had margins better than 11%. By contrast, cash flow margins reported by affiliates were more evenly spread. Affiliate margins of 50% or better extended, on average, through the top-30 markets and more than half of all affiliates had margins of better than 30%.

Trends that both affiliates and independent stations shared included increased interest expense—noticeably so for affiliates—and slight decreases, as a percentage of net revenue, in spending on sales, advertising and promotion. –GF

AFFILIATES AND INDEPENDENTS LOOKING MORE ALIKE

(As percentage of net revenue*)

	Affiliates		*Independents*	
	1987	*1989*	*1987*	*1989*
Network compensation	5.8%	5.3%	0.2%	2.5%
Total news-programing	32.4%	34.7%	57.3%	56.2%
Broadcast rights	11.8%	14.1%	44.4%	42.7%
Sales-adv-promo	10.5%	10.3%	13.6%	12.4%
Interest expense	4.1%	7.6%	4.7%	4.9%
Depreciation-amortization	8.5%	8.7%	7.7%	7.2%
Cash flow**	39.0%	38.1%	10.6%	13.6%

**From 1989 and 1990 NAB-BCFM Television Financial Report.*
***Cash flow is pre-tax profit plus depreciation, amortization and interest expense.*

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CHANGING HANDS

This week's tabulation of station and system sales ($250,000 and above)

WLOL-FM Minneapolis, Minn. Sold by Emmis Broadcasting to Minnesota Public Radio for $12 million. Price includes a $7 million, 10 year promissory note; $3 million to be paid through fund raising and $2 million through the proposed sale of KNOW(AM). **Seller,** headed by Doyle Rose, is completing the sale of KXXX-FM San Francico to Bedford Broadcasting and also owns radio stations in New York, Chicago, Los Angeles, Washington, St. Louis and Indianapolis. **Buyer** is headed by William H. Kling and is licensee of 16 FM's and 1 AM noncommercial radio station. WLOL has a CHR format on 99.5 mhz with 100 kw and antenna 880 feet above average terrain.

KYAK(AM)-KGOT(FM) Anchorage, KIAK-AM-FM Fairbanks, all Alaska, and KTRW(AM)-KZZU(FM) Spokane, Wash. Sold by Olympia Broadcasting to Harbor Broadcasting Corp. for $3.1 million-$3.5 million, subject to adjustments and escrow agreements. The sale is the latest at Olympia since it filed for bankruptcy last June ("In Brief" June 18, 1990). Of Olympia's two remaining stations, KXXR(FM) Kansas City, Mo., is on the block and KRZR(FM) Fresno, Calif., granted by the FCC for $1.62 million ("For the Record" Oct. 1, 1990), is expected to close soon. Olympia Broadcasting is headed by James Ireland. Arcus Communications Inc., headed by Gary Capps, will operate the stations on behalf of Harbor Broadcasting, a new company formed through Arcus and Pacific Harbor Capital Inc. The company has no other broadcast interests. KYAK is a fulltimer with a modern country format on 650 khz with 50 kw. KGOT has a contemporary hit format on 101.3 mhz with 100 kw and antenna 66 feet below average terrain. KIAK(AM) is a fulltimer with a modern country format on 970 khz with 5 kw. KIAK(FM) has top 40 format on 102.5 mhz with 25 kw and antenna 89.5 feet below average terrain. KTRW has country format on 970 khz with 5 kw day and 1 kw night. KZZU has a CHR format on 92.9 mhz with 81 kw and antenna 2,080 feet above average terrain. Broker: Elliot Evers of Media Venture Partners.

PROPOSED STATION TRADES

By volume and number of sales

Last Week:

AM's □ **$0** □ **0**

FM's □ **$12,185,000** □ **4**

AM-FM's □ **$3,300,000** □ **3**

TV's □ **$0** □ **0**

Total □ **$15,485,000** □ **7**

Year to Date:

AM's □ **$107,427,754** □ **377**

FM's □ **$504,792,921** □ **244**

AM-FM's □ **$365,862,727** □ **218**

TV's □ **$829,676,900** □ **91**

Total □ **$1,807,760,302** □ **930**

For 1989 total see Feb. 5, 1990 BROADCASTING.

AFFILIATION SWITCHES IMPACT NETWORK NEWS

Recent trend shows station/network initiating changes will see marked improvement in network news ratings; other stations in market ride coattails

Over the past three years, there have been a number of affiliation switches. Presumably, stations doing so see benefits from allying with the stronger network, but an analysis by BROADCASTING of news ratings data show that most of the benefit accrues to the network and some late local news. Local early news ratings seem to see little change.

The changes in network news and lack of change in local does not come as any great surprise to general managers. "Since the change, one thing is pretty clear to me: The affiliate changes have affected network news," said Jeff Ulrich, operations manager, WROC-TV Rochester. Ulrich said he did not expect to see substantial changes in local and syndicated programing. As for keeping the audience up-to-date, Ulrich said the station promoted heavily for the November 1989 book.

continues on page 99

SOLD!

WJLQ-FM/WCOA-FM, Pensacola, Florida has been sold by Norman S. Drubner to BREM Broadcasting, Edmond J. Muniz, Principal for $2,230,000.

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STOCK INDEX (CONT.)

EQUIPMENT & MANUFACTURING

		Closing Wed Jan 2		Closing Wed Dec 26		Net Change	Percent Change	P/E Ratio	Market Capitalization (000,000)
N	(MMM) 3M	85	3/4	86	1/4	1/2	00.58	14	19,144
N	(ARV) Arvin Industries	17	1/8	16	3/8	3/4	02.23	15	307
O	(CCBL) C-Cor Electronics	3	5/8	3	5/8		00.00	3	15
O	(CTEX) C-Tec Corp.	14	1/2	15	5/8	– 1 1/8	– 07.20	-30	257
N	(CHY) Chyron		9/32		5/16	– 1/32	– 10.00		3
A	(COH) Cohu	10	1/2	10	1/4	1/4	02.43	7	20
N	(EK) Eastman Kodak	41	5/8	41	7/8	– 1/4	– 00.60	43	13,585
N	(HRS) Harris Corp.	19	7/8	19	7/8		00.00	6	797
N	(IV) Mark IV Indus.	8	3/4	8	7/8	– 1/8	– 01.41	2	120
O	(MATT) Matthews Equip.	1	1/	1	5/16	3/16	16.66	65	7
O	(MCDY) Microdyne	3	1/8	2	3/4	3/8	13.63	39	11
O	(MCOM) Midwest Comm.	1		1	1/16	– 1/16	– 05.89	3	3
N	(MOT) Motorola	52	3/8	53	1/4	– 7/8	– 01.65	13	7,003
A	(PPI) Pico Products		5/16		5/16		00.00		1
N	(SFA) Sci-Atlanta	12	1/2	13		– 1/2	– 03.85	7	291
N	(SNE) Sony Corp.	43		44	1/4	– 1 1/4	– 02.83	23	14,687
N	(TEK) Tektronix	18	1/2	18	3/4	– 1/4	– 01.34	-6	534
N	(VAR) Varian Assoc.	30	1/2	31	1/4	– 3/4	– 02.40	-148	598
O	(WGNR) Wegener		3/8		3/8		00.00	-2	2
N	(ZE) Zenith	6	5/8	7		– 3/8	– 05.36	-2	187

SERVICE

		Closing Wed Jan 2		Closing Wed Dec 26		Net Change	Percent Change	P/E Ratio	Market Capitalization (000,000)
O	(AFTI) Am. Film Tech.	3	1/2	3	1/2		00.00	11	34
O	(BSIM) Burnup & Sims	8	7/8	9	3/8	– 1/2	– 05.34	104	118
A	(CLR) Color Systems	2	1/2	2	3/8	1/8	05.26	-2	22
N	(CQ) Comsat	24		22	3/8	1 5/8	07.26	7	418
N	(CDA) Control Data	8	7/8	8	3/4	1/8	01.42	-2	372
N	(DNB) Dun & Bradstreet	42	1/8	42	1/8		00.00	15	7,686
N	(FCB) Foote Cone & B.	20	1/4	18	3/4	1 1/2	01.08	9	202
O	(GREY) Grey Advertising	130		130			00.00	11	146
O	(IDBX) IDB Commun.	6	1/4	6	3/4	– 1/2	– 07.41	75	42
N	(IPG) Interpublic Group	35		35	1/4	– 1/4	00.71	15	1,205
N	(OMC) Omnicom	23	1/8	22		1 1/8	05.11	10	577
O	(RTRSY) Reuters	40	1/2	37	3/4	2 3/4	07.28	17	16,273
N	(SAA) Saatchi & Saatchi	2		1	3/4	1/4	14.28	-1	277
O	(TLMT) Telemation		1/2		3/8	1/8	33.33		1
O	(TMCI) TM Commun.		1/4		1/4		00.00	-1	5
A	(UNV) Unitel Vidro	5	7/8	5	3/4	1/8	02.17	-9	8
O	(WPPGY) WPP Group	2	3/4	2	1/4	1/2	22.22		92

Standard & Poor's 400	383.02	387.09	-4.07	-1.1%

Continued from page 97

For example, in Rochester, N.Y., NBC dropped WROC-TV and picked up WHEC(TV) in August 1989. In the next ratings period in November, NBC saw its ratings for *NBC Nightly News* make a marked improvement (see chart, page 108) from a 5/11 on WROC-TV in May 1989 to a 13/25 on WHEC in November 1989. (All ratings and demographics cited are from Nielsen Media Research.) Its share of women 25-54 also went from an eight to a 25. CBS, on the other hand, saw ratings for its evening news go from a 15/30 on WHEC in May 1989, to a 7/13 on WROC-TV in November 1989. Also, its share of women 25-54 fell from a 29 to a 13 for the same ratings period.

WHEC's local news at 11 p.m. did not benefit immediately from the change and fell from a 14/36 in May 1989 to a 13/32 in November.

NBC also benefitted in Knoxville, Tenn., where after a September 1988 switch, NBC saw its *Nightly News* make a huge gain in the local ratings from the May 1988 book to the November 1988 book. And again, it was *CBS Evening News* that took a loss during the 1988 affiliate change in Knoxville. That trend has continued: for the November 1990 book, *CBS Evening News* earned a 6/10 while NBC scored a 23/39. During the initial five months, ratings for ABC's *World News Tonight* remained steady in the 17/32 range.

Late night local news for WBIR rose slightly from a 14/40 for May 1990 to a 14/42 in November 1990.

CBS Evening News was the beneficiary of a Jan. 1, 1989, affiliation switch from UHF WTVX(TV) West Palm Beach, Fla., to former ABC affiliate VHF WPEC(TV) there. The show was doing a 5/9 in November 1988 on WTVX. In February 1989, on WPEC, the show jumped to an 8/15. The WPEC local news ratings remained almost flat for that month at 6/14 for 5:30 p.m. news and 7/13 for 6 p.m. news. Local news on WTVX also kept most of its audience for the same time periods with a 4/9 and 4/8, respectively. Late news for WPEC rose sharply from a 3/9 in November to a 7/17 in the February book.

The change in affiliation also brings new audiences to the stations but it can be a slow process. According to Neil Kuvin, president and general manager of ABC affiliate WHAS(TV) Louisville, Ky., the station saw a loss of older viewers as one of the results of its Au-

continues on page 108

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Continued from page 99

AFFILIATE SWITCHES EFFECTS ON NETWORK NEWS

News	*Old Station*	*Rating/ Share*	*New Station*	*Rating/ Share*
Louisville, Ky.				
CBS Evening News	WHAS	18/38	WLKY	9/17
NBC Nightly News	WAVE	10/22	WAVE	14/26
Rochester, N.Y.				
NBC Nightly News	WROC-TV	5/11	WHEC	13/25
CBS Evening News	WHEC	15/30	WROC-TV	7/13
ABC World News Tonight	WOKR	17/35	WOKR	20/37
Knoxville, Tenn.				
NBC Nightly News	WTVK	4/17	WBIR	23/40
CBS Evening News	WBIR	22/41	WTVK	5/8
ABC World News Tonight	WATE	14/26	WATE	17/30

Notes: All information is from ratings book prior to switch and just after switch. Louisville information is from 1990; Rochester from 1989 and Knoxville from 1988. Source: Nielsen Media Research.

gust 1990 affiliation change from CBS to ABC and some of the station's demographics have fallen. Said Kuvin: "What we saw in November was that overall ratings are not as strong as they used to be...The areas we expected to get hit in we got hit—morning game shows and the lead soap operas. We knew we would be be giving up mornings and early afternoons." The station has also suffered on weekends with the loss of NFL football. "But," Kuvin added, "we can start building from a base that is far more advantageous to us." According to Kuvin, WHAS was the only station to show any gain in prime time numbers.

Numbers for WHAS's 11 p.m. news also did not benefit from the switch, going from a 16/34 in May to an 11/30 in November.

Ratings for local early news does not appear to fluctuate as dramatically as those for network news. In May 1990, then CBS affiliate WHAS(TV) had a 20 rating and 42 share for its 6 p.m. local news. Now, as an ABC affiliate, the numbers fell somewhat to a 19/33 for November. As an ABC affiliate, WLKY(TV) Louisville had an 8/17 for its 6 p.m. news. Now, as a CBS affiliate, the station earned an 8/14 in the November book. However, affiliation switches may have nothing to do with changes in the ratings. Since May 1990, two additional 5 p.m. newscasts have been added to the marketplace and may have taken audience away from the other stations' 6 p.m. newscasts. That may also be why WAVE(TV) saw its 6 p.m. local news go from an 11/22 in May to a 17/30 in November.

The affiliation change for WHEC(TV) Rochester also failed to hamper the station's local news efforts. The station scored an 18/36 for its 6 p.m. local news in May 1989 as a CBS affiliate. In November, as an NBC affiliate, the station was almost flat at 18/33. WROC, which changed from an NBC affiliate to a CBS affiliate, saw its 6 p.m. local news ratings improve slightly from a 4/8 in May 1989 to a 5/9 in November. Unchanged ABC affiliate WOKR(TV) saw its numbers also improve slightly from 18/37 to a 20/36. –JF

pha Epsilon Rho, 49th annual convention. Sheraton Universal Hotel, Los Angeles. Information: G. Richard Gainey, (803) 777-3324.

April 12-14—"TV News: The Cutting Edge," sponsored by *Scientists Institute for Public Information*. Bloomingdale, Ill. Information: Barbara Rich, (212) 661-9110.

April 13-15—*Broadcast Education Association* 36th annual convention. Las Vegas Convention Center, Las Vegas. Information: (202) 429-5355.

April 15-18—HDTV World Conference and Exhibition, sponsored by *National Association of Broadcasters*, to be held concurrently with NAB annual convention (see item below). Hilton Center, Las Vegas. Information: (202) 429-5300.

April 15-18—*National Association of Broadcasters* 69th annual convention. Las Vegas Convention Center, Las Vegas. Information: (202) 429-5300.

April 18—*Broadcast Pioneers* breakfast, during NAB convention (see listing above). Las Vegas Hilton, Las Vegas. Information: (212) 586-2000.

■ **April 18-19**—"Cable Television Law: Living with Reregulation," program sponsored by *Practising Law Institute*. Hyatt Embarcadero, San Francisco. Information: (212) 765-5700.

■ **April 19-21**—Southern regional conference of *National Association of College Broadcasters*. Georgia State University, Atlanta. Information: (401) 863-2225.

April 19-24—*MIP-TV*, international television program market. Palais des Festivals, Cannes, France. Information: (212) 750-8899.

April 21-24—*Broadcast Financial Management Association* 31st annual convention. Century Plaza, Los Angeles. Information: (708) 296-0200.

April 22-25—*National Computer Graphics Association* 12th annual conference and exposition. McCormick Place North, Chicago. Information: (703) 698-9600.

April 23—*International Radio and Television Society* newsmaker luncheon. Waldorf-Astoria, New York. Information: (212) 867-6650.

April 29-30—"Spectrum Allocation and Management," sponsored by *Annenberg Washington Program*. Annenberg Program, Willard Office Building, Washington. Information: (202) 393-7100.

MAY 1991

■ **May 5-11**—31st annual Golden Rose of Montreux festival for light entertainment television programs, sponsored by *Swiss Broadcasting Corp.* and *City of Montreux, Switzerland*. Information: John Nathan, (212) 223-0044.

May 6-9—Nebraska Interactive Media Symposium, "A New Decade of Technology," forum for exploring strengths of various interactive formats, sponsored by *University of Nebraska-Lincoln*. Nebraska Center for Continuing Education, Lincoln, Neb. Information: (402) 472-3611.

May 12-14—*Pacific Telecommunications Council* mid-year seminar, "The Telecommunications and Travel Industry Interface and its Role in National and Regional Development." Bali Beach Resort, Indonesia. Information: (808) 941-3789.

May 13—George Foster Peabody luncheon, sponsored by *Broadcast Pioneers*. Plaza Hotel, New York. Information: (212) 586-2000.

May 13-15—Pay Per View '91 annual convention, sponsored by *Cable Television Administration and Marketing Society*. Marriott World Center, Orlando, Fla. Information: Bob Westerfield, (703) 549-4200.

May 14—*International Radio and Television Society* Broadcaster of the Year luncheon. Recipients: Robert MacNeil and Jim Lehrer, MacNeil/Lehrer NewsHour. Waldorf-Astoria, New York. Information: (212) 867-6650.

May 15-18—*American Association of Advertising Agencies* annual meeting. Greenbrier, White Sulphur Springs, W. Va. Information: (212) 682-2500.

May 15-19—Annual public radio conference, sponsored by *National Public Radio*. Sheraton, New Orleans. Information: (202) 822-2090.

May 16-19—*American Women in Radio and Television* 40th annual convention. Omni, Atlanta. Information: (202) 429-5102.

tions of Pennsylvania Ltd., licensee of WYCL(FM) Boyertown, PA, and is president, director and 10% shareholder of Legend Communications Corporation of Ohio, which is sole general partner of Legend Communications of Ohio Ltd., licensee of WSOM(AM)-WQXK-FM Salem, OH. Action Dec. 14.

■ **KOLT(FM) Santa Fe, NM** (BALH901026GE; 105.9 mhz; 100 kw-H; ant. 590 ft.)—Granted app. of assignment of license from Mesa Grande Broadcasting Co. Inc. to Clairmor Broadcasting Inc. for $1 million ("Changing Hands" Nov. 5). Seller is headed by James M. Ellis, Melvin P. Hemmer and Jack Kelly, and also owns KQMQ-AM-FM Honolulu. Buyer is headed by Bonnie B. Gordon, Sharon B. Seinfeld and Morton Braiker, and has no other broadcast interests. Action Dec. 14.

■ **WXRA(AM)-WEZG-FM North Syracuse, NY** (AM: BAL901004HH; 1220 khz; 1 kw-D; FM: BALH901004HI; 100.9 mhz; 3 kw; ant. 165 ft.)—Granted app. of assignment of license from Lorenz Broadcasting Corp. to Syracuse Broadcasting Corp. for $1 million. Seller is headed by Frank W. Lorenze, Marty Mercurio and David Horan. Lorenz and Horan also have interests in WGLK Broadcasting Corp., licensee of WBLK(FM) Depew, NY. Buyer is headed by Laurence A. Levite (50%), Randall Benderson, Ralph L. Halpern, Thomas Van Nortwick and Nathan Benderson. Levite is also president, director and 100% shareholder of Algonquin Broadcasting Corp., licensee of WBEN(AM) and WMJQ(FM) Buffalo, NY. Halpern has interests in Algonquin, and Van Nortwick in genral manager of WBEN and WMJQ. Action Dec. 10.

■ **WSMY(AM) Weldon and WSMY(FM) Roanoke Rapids, both North Carolina** (AM: BAL901005HX; 1400 khz; 1 kw; FM: BALH901005HY; 102.3 mhz; 3 kw; ant. 300 ft.)—Granted app. of assignment of license from Faver Broadcasting Group Ltd. to Moran Communications; buyer is reacquiring former interest in station following bankruptcy. Seller, headed by Ronald J. Verlander Sr. and Ronald J. Verlander Jr., also have interests in WZLI(FM)-WLET(AM) Toccoa, GA, and KBSI(TV) Cape Girardeu, MO. Buyer is headed by Timothy Moran and Amy Moran, husband and wife. Timothy Moran is 75% stockholder of South Boston Radio Inc., licensee of WHLF(AM) South Boston, VA. Action Nov. 27.

■ **WBVE(FM) Hamilton, OH** (BALH901022HS; 96.5 mhz; 19.5 kw; ant 810 ft.)—Dismissed app. for assignment of license from Reams Broadcasting Corp to LC Communications Group Inc. for $3.2 million. Seller is headed by Frazer Reams, who also owns WCWA(AM)-WIOT(FM) Toledo, OH. Buyer is headed by Gary D. Martin (51%), Lewis C. Gibbs (16.33%), Michael Kromirs (16.33%) and Vince C. Fruge (16.33%). Kromirs is 21-2.3% voting shareholder of American Eagle Communications of Virginia Inc., licensee of WTZR(FM) Moyock, NC. Action Dec. 18.

■ **KTAT(AM)-KYBE(FM) Frederick, OK** (AM: BAL901105EB; 1570 khz; 250 w-D; FM: BALH901105EC; 95.9 mhz; 3 kw; ant. 207 ft.)—Granted app. of assignment of license from Breckenridge Broadcasting Co. to Tomar Broadcasting Co. Inc. for $60,000. Seller is headed by Owen Woodward and Doug Williams, and has interests in KILE(AM) Galveston, KSTB(AM)-KROO(FM) Breckenridge, both Texas, and KNOR(AM) Norman, OK. Buyer is headed by Anthony M. Massad (51%) and Mary J. Massad (49%), and has no other broadcast interests. Action Dec. 18.

■ **KIID-TV Huron, SD** (BAPCT900612KG; ch. 12; 316 kw-V; 31.6 kw-A; ant. 530 ft.)—Granted app. of assignment of CP from Pacer TV of Huron Inc. to Independent Communications Inc. for $40,000. Seller is headed by Lyle R. Evans, who is sole proprietor of Brillion Radio Co., permittee of WLWR-FM Brillion, WI; 50% owner of Pacer TV of Huron Inc., permittee of KIID(TV) Huron, SD (see above), and owns 40% of Hometown Television Inc., permittee of WHTA(TV) Calumet, MI. Buyer is headed by Jerry Noonan, E.C. Stangland, Thomas J. Whalen, Charles D. Poppen, Richard T. Devaney and Cal Neumeister, and is licensee of KTTW(TV) Sioux Falls, SD. Stangland is 100% stockholder of Sheldon Broadcasting Co., licensee of KIWA-AM-FM Sheldon, IA. Action Dec. 18.

■ **KKWM(FM) Dallas, TX** (BALH901024HE; 97.9 mhz; 99 kw-H; ant. 512 ft.)—Granted app. of assignment of license from Anchor Media Ltd. to WSB Inc. for $15.1 million. Seller is headed by Alan Henry, and has interests in WSYX(TV) Columbus, OH, and KORK(AM)-KYRK(FM) Las Vegas. Buyer is headed by Nicholas D. Trigony, Michael J. Faherty, Robert F. Neil, James A. Hatcher and John Rouse Jr. Faherty has interests in Cox Enterprises, licensee of WSB-AM-FM-TV Atlanta; WHIO-AM-TV and WHKO(FM) Dayton, OH; WSOC-AM-FM Charlotte, NC; WPXI(TV) Pittsburgh; KTVU(TV) Oakland, CA; WKBD(TV) Detroit; KFI(AM)-KOST(FM) Los Angeles; WCKG(FM) Chicago, and WFTV(TV) Orlando. WIOD(AM)-WFLC(FM) Miami and WSUN(AM)-WWRM(FM) Tampa-St. Petersburg, all Florida. Action Dec. 11.

■ **KURV(AM) Edinburg, TX** (BTC901009EA; 710 khz; 1 kw-U)—Granted app. of transfer of control from Voice of Valley Agriculture to C. Davis Rankin Jr. and Lance Hawkins for $200,000. Seller is headed by C. Davis Rankin Jr., Albert White, John Brady, Lance Hawkins and Charles D. Rankin, and has no other broadcast interests. Buyer is headed by Rankin (39.9%), Hawkins (36.58%), Brady (13.86%) and White (9.66%). Action Dec. 11.

■ **KYKM(FM) Winfield, TX** (BAPLH901022GF; 97.7 mhz; 3 kw; ant. 217 ft.)—Granted app. of assignment of license from CMS Media Group Inc. to Parker-Hill Communications Inc. for $150,000. Seller is headed by Gene G. Holmes, Donald E. Rohde and J. Leon Smith, and have no other broadcast interests. Buyer is headed by Donna Rhea Hill, Bobby Gregg Hill and Gene G. Holmes. Holmes also has interests in the seller. Action Dec. 14.

■ **WPLY(AM) Plymouth, WI** (BAL901102EA; 1420 khz; 500 w-D)—Granted app. of assignment of license from WPLY Inc., to Jubilation Ministries Inc. for $185,000. Seller is headed by Tim Achteroff, Frances Sova, Harvey Nedeau, Lillian Boonstra and Dalton Hille, and has interests in Grater Muskegon Broadcasters Inc., licensee of WMUS-AM-FM Muskegon, MI, and Petosky Broadcasting Co., licensee of WJML-AM-FM Petosky, MI. Buyer is headed by William G. Kraemer (33 1/3%), William B. Horsch (33 1/3%) and Henry Warner (33 1/3%), and has no other broadcast interests. Action Dec. 17.

SUMMARY OF BROADCASTING & CABLE

BROADCASTING

SERVICE	ON AIR	CPs [1]	TOTAL *
Commercial AM	4,984	242	5,226
Commercial FM	4,372	929	5,301
Educational FM	1,438	298	1,736
Total Radio	10,794	1,469	12,263
Commercial VHF TV	552	18	570
Commercial UHF TV	563	184	747
Educational VHF TV	125	3	128
Educational UHF TV	229	16	245
■ Total TV	1,469	221	1,690
VHF LPTV	185	165	350
UHF LPTV	594	1,056	1,650
■ Total LPTV	779	1,221	2,000
FM translators	1,863	318	2,181
VHF translators	2,714	97	2,811
UHF translators	2,248	382	2,630

CABLE

Total subscribers	53,900,000
Homes passed	71,300,000
Total systems	10,823
Household penetration†	58.6%
Pay cable penetration	29.2%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 92.1 million. [1] Construction permit. [2] Instructional TV fixed service. [3] Studio-transmitter link. Source: Nielsen and Broadcasting's own research.

industry needs right now," Younts said. Chapman President William N. Cate said he and company Chairman Ray Stanfield expect to remain active in station brokerage business.

Matsushita Electric Industrial Co. completed its cash tender offer for all outstanding shares of common stock of MCA Inc. at $66 per share. Matsushita said that according to Citibank, N.A., depositary for offer, approximately 77.7 million shares (including approximately 8.8 million shares tendered by notices of guaranteed delivery) have been tendered pursuant to offer. Such shares represent approximately 97% of all outstanding MCA shares. Matsushita said that within next two weeks, it expects to close merger of Matsushita Acquisition Corp. into MCA. Pursuant to merger, MCA will become wholly owned subsidiary of Matsushita Electric Industrial Co., and all remaining MCA stockholders will be entitled to receive $66 in cash for each of their shares.

FCC Review Board awarded construction permit for new TV on ch. 20 in New Orleans to Swan Broadcasting, reversing administrative law judge's original grant of CP to competing applicant Delta Broadcasting. Board found both Swan and Delta entitled to 100% integration credit, while two other competing applicants, Crescent City Broadcasting and Tucker Broadcasting, were not. Board decided that gender of principal outweighed broadcast experience, both factors considered in comparative process. Swan principal Marian M. Vaccari (70% equity partner), female with no broadcast experience, was awarded preference over Delta principal John G. Curren (sole general partner), who has 22 years of broadcasting experience.

PBS has named Sandra H. Welch as executive VP for education, where she will be responsible for all educational activities.

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RATINGS ROUNDUP

Week 15 **Dec. 24–Dec. 30**

1st column tells rank, 2nd column tells position compared to last week: ▼-Down in rank from last week, ▲-Up in rank from last week, ■-Premiere broadcast. 3rd column tells rating, 4th column tells network, 5th column tells show.

1	▲	23.3/40	C	60 Minutes
2	▼	16.6/27	N	Cheers
3	▲	16.4/29	A	Full House
4	▲	15.8/25	N	The Cosby Show
5	▲	15.7/27	A	Family Matters
5	▲	15.7/25	C	Murder, She Wrote
7	▼	15.2/24	N	A Different World
7	▲	15.2/26	N	Unsolved Mysteries
9	▲	14.4/23	A	Amer. Funniest Videos
9	▲	14.4/26	N	Golden Girls
11		13.5/24	N	Empty Nest
12	▲	13.4/23	C	Jake And The Fatman
13		13.2/23	A	Perfect Strangers
14	▲	13.0/26	N	Matlock
15	▲	12.8/21	N	Movie: Prime Target
16	▲	12.6/21	A	Movie:Innerspace
17	▲	12.3/21	A	Doogie Howser, M.D.
17	▲	12.3/21	A	Growing Pains
19		12.2/24	N	Hunter
20	▲	12.0/20	N	Grand
21	▲	11.9/21	A	Married People
21	▲	11.9/20	A	Wonder Years
23	■	11.6/22	N	Dear John
23		11.6/19	A	Ice Capades
25		11.4/19	C	Movie Spec.: Aliens
26		11.1/23	N	Law And Order
27	▼	11.0/18	C	Movie: Vestige Of Honor
27		11.0/19	A	Going Places
27	▲	11.0/20	N	L.A. Law
27	▼	11.0/20	A	20/20
31	▲	10.9/20	N	Carol & Company
32		10.8/19	N	Heat Of The Night Spec.
32	▼	10.8/21	A	Roseanne
34	▼	10.2/21	C	Rescue: 911
35	▲	10.1/19	N	Amen
35		10.1/18	N	Fanelli Boys
37	▲	10.0/17	N	Dear John
38	▲	9.9/18	A	Primetime Live
38	▼	9.9/16	F	The Simpsons
40	▲	9.9/16	F	In Living Color
40	▲	9.8/15	F	Married...With Children
40	▼	9.8/21	A	Who's The Boss?
40	▲	9.8/19	C	WIOU
44		9.6/18	A	Movie: Uncommon Valor
44	▼	9.6/19	A	Coach
46		9.4/16	C	48 Hours
47	▼	9.2/23	C	Designing Women
48	▼	9.1/18	C	Movie: The Wizard
48	▼	9.1/18	A	Head Of The Class
50	▼	9.0/23	C	Murphy Brown
51		8.9/15	C	True Detectives
51		8.9/16	A	Young Riders
53		8.2/15	C	Movie: Wildcats
54		7.9/21	N	Fresh Prince Of Bel Air
54	▲	7.9/12	F	Get A Life
56	▼	7.8/20	C	Major Dad
57		7.7/14	C	Kennedy Center Honors
57		7.7/13	N	Working It Out
59	▲	7.6/13	A	Life Goes On
60	▼	6.9/17	C	Trial Of Rosie O'Neill
61	▼	6.8/18	A	Macgyver
62		6.6/10	N	News Sp:Living/Edge
63	▼	6.5/16	N	Movie: Christmas Eve
64	▼	6.3/17	C	Evening Shade
64	▲	6.3/11	N	Quantum Leap
66	▼	6.1/13	A	thirtysomething
67	▲	6.0/10	F	Babes
68		5.9/10	F	Good Grief
68	▲	5.9/11	C	You Take The Kids
70		5.8/14	A	Movie Spec: Roots:Gift
71		5.7/10	A	Cops 2
72		5.6/11	A	Cop Rock
73		5.5/14	N	Retail Christams
73		5.5/10	F	Cops 2-Fri.
75	▲	5.4/10	F	Cops
75	▲	5.4/9	F	Parker Lewis
77	▼	5.2/9	F	Comic Strip Live
77	▲	5.2/10	C	Lenny
79	▲	4.9/9	F	Totally Hidden Video
79	▲	4.9/8	F	True Colors
81		4.7/8	F	Cops 1-Fri.
82	▲	4.5/7	F	Beverly Hills, 90210
83	▲	4.4/8	F	Haywire
84		4.0/7	N	Hull High Spec.
85		3.3/6	F	Against The Law